

**BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF CALIFORNIA**



FILED

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Application of California-American Water Company
(U210W) for an Order Authorizing a Special Conservation
Program and Modifications to Its Rate Design in Its
Monterey District, and Authorization to Increase Its Rates
for Water Service in Its Monterey District

A.07-12-010
(Filed December 14, 2007)

**CALIFORNIA-AMERICAN WATER COMPANY (U210W)
COMPLIANCE FILING**

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Attorney for Applicant
California-American Water Company

Date: January 10, 2008

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Pursuant to Article 3.2 of the Commission's Rules of Practice and Procedure, California-American Water Company ("California American Water" or "Applicant") respectfully submits this Proof of Publication in compliance with the notice requirements of Article 3.2 regarding the above-captioned proceeding (Conservation Application). Article 3.2 requires, for applications requesting authority to increase rates, proof of compliance within ten days of the publication of the notice. This compliance filing is submitted beyond the ten-day requirement pursuant to email authorization from Administrative Law Judge ("ALJ") Walwyn, on January 8, 2008.

California American Water filed its Conservation Application on December 14, 2007. The notice of the application was published on December 21, 2007 (within ten days of filing).

A copy of the Proof of Publication for the Conservation Application is attached as Appendix A to this filing.

Dated: January 10, 2008

Respectfully submitted,

By: 
Darlene M. Clark
Attorney for Applicant
California-American Water Company

PROOF OF SERVICE

I, Cinthia A. Velez, declare as follows:

I am employed in the City and County of San Francisco, California. I am over the age of eighteen years, and not a party to the within cause; my business address is STEEFEL, LEVITT & WEISS, One Embarcadero Center, 30th Floor, San Francisco, California 94111-3719. On January 10, 2008, I served the within:

***California-American Water Company (U210W)
Compliance Filing***

on the interested parties in this action by placing a true copy thereof in a sealed envelope, addressed as follows:

Please see attached Service List

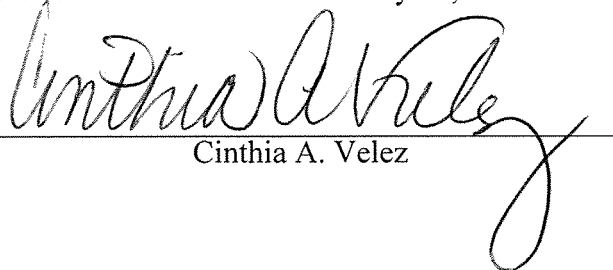


(BY PUC E-MAIL SERVICE) By transmitting such document electronically from Steefel, Levitt & Weiss, San Francisco, California, to the electronic mail addresses listed above. I am readily familiar with the practice of Steefel, Levitt & Weiss for transmitting documents by electronic mail, said practice being that in the ordinary course of business, such electronic mail is transmitted immediately after such document has been tendered for filing. Said practice also complies with Rule 2.3(b) of the Public Utilities Commission of the State of California and all protocols described therein.



(BY MAIL) By placing such document(s) in a sealed envelope, with postage thereon fully prepaid for first class mail, for collection and mailing at Steefel, Levitt & Weiss, San Francisco, California following ordinary business practice. I am readily familiar with the practice at Steefel, Levitt & Weiss for collection and processing of correspondence for mailing with the United States Postal Service, said practice being that in the ordinary course of business, correspondence is deposited in the United States Postal Service the same day as it is placed for collection.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct and that this declaration was executed on January 10, 2008 at San Francisco, California.


Cinthia A. Velez

PUC E-Mail Service List
A.07-12-010
[Updated January 7, 2008]

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U.S Mail Service List
A.07-12-010
[Updated January 7, 2008]

Christine M. Walwyn
California Public Utilities Commission
Division of Administrative Law Judges
505 Van Ness Avenue, Room 5008
San Francisco, CA 94102-3214

Appendix A

Monterey County
The Herald

PUBLISHED BY THE MONTEREY COUNTY HERALD COMPANY
P.O. BOX 271 • MONTEREY, CALIFORNIA 93942-0271
(831) 372-3311

**PROOF OF
PUBLICATION**

STATE OF CALIFORNIA

County of Monterey

I am a citizen of the United States and a resident of the County aforesaid. I am over the age of eighteen years, and not a party to or interested in the above-entitled matter. I am the principal clerk of the printer of The Herald, a newspaper of general circulation, printed and published daily and Sunday in the City of Monterey, County of Monterey, and which newspaper has been adjudged a newspaper of general circulation by the Superior Court of the County of Monterey, State of California; that the notice, of which the annexed is a printed copy (set in type not smaller than 6 point), has been published in each regular and entire issue of said newspaper and not in any supplement thereof on the following dates, to wit:

December 21, 2007

I certify (or declare) under penalty of perjury that the foregoing is true and correct.

Executed on December 21, 2007

at Monterey, CA.

Raven Thompson
Signature

This space is for the County Clerk's Filing Stamp

No. 78803

- See attached -



CALIFORNIA AMERICAN WATER COMPANY APPLICATION 07-12-010

NOTIFICATION OF CONSERVATION APPLICATION FILING FOR A PROPOSED RATE INCREASE AND CHANGES TO THE CONSERVATION PROGRAM IN THE MONTEREY DISTRICT

On December 14, 2007, California American Water filed an application with the California Public Utilities Commission (CPUC) for a proposed rate increase and changes to the conservation program in its Monterey District (A. 07-12-010). This application sets forth a comprehensive water conservation plan for most portions of the Monterey District of California American Water. The comprehensive plan set forth herein is made in coordination with the Monterey Peninsula Water Management District (MPWMD) and is proposed to ensure an adequate water supply for customers in the area until a replacement water supply is developed. An adequate water supply is defined for Monterey as one that meets the physical and legal constraints of the current supply.

In this conservation application filing, California American Water is requesting

- to change the current emergency rate design.
- changes to the current conservation rate design.
- to establish an emergency rationing rate design.
- changes to the low-income program.
- to modify rate design to create the same rates for customers in Ryan Ranch, Bishop, Hidden Hills and Ambler Park.
- authorization of a full fixed cost Water Revenue Adjustment Mechanism (WRAM)
- to modify the current Tariff Rule 14.1.
- an increase in the conservation budget.
- authorization of a surcharge and memorandum/balancing account for all conservation and rationing costs, and
- authorization for the conservation program to be a mutually shared program between California American Water and MPWMD.

The following table shows the proposed revenue requirement for the conservation program.

Revenue Requirement				
Customer Class	Year	Program	Revenue Increase	Percent Increase
(a) All Classes	(b) 2008	(c) Conservation	(d) \$1,334,196	(e) 3.79%
All Classes	2009	Conservation	\$442,200	1.21%
All Classes	Any Year Rationing Is Required	Rationing	\$2,932,800	8.96%

The CPUC's Process

As part of this proceeding, evidentiary hearings may be held where parties of record will present their testimony and evidence. Evidentiary hearings are open to public spectators, but only formal parties (parties of record) may participate in the hearing by presenting evidence or cross-examining witnesses. The CPUC's independent Division of Ratepayer Advocates ("DRA") will review the recommendations made by California American Water in its final application. Analysts, engineers, economists, and other regulatory professionals are employed by DRA to represent the long-term interests of all utility ratepayers. DRA will prepare an analytical report on this application which will be released sometime in Spring 2008. Please contact the Public Advisor's Office if you would like a copy of that report.

After considering all proposals and evidence presented during the formal hearing process, the assigned Administrative Law Judge will then issue a proposed decision, which the CPUC may accept in whole or in part or may substitute with an entirely different decision. The CPUC's final decision in this matter may be different from the requests made by California American Water.

Public Comment

If Public Participation Hearings ("PPHs") are scheduled, each customer will be notified of the dates, times, and locations. PPHs are one opportunity to express your views regarding California American Water's application to increase its rates and change its conservation program. You may also write or email the Public Advisor's Office as shown below. All communications are circulated to the Commissioners, the assigned Administrative Law Judge and assigned staff. They also become part of the formal correspondence record of the proceeding.

If you want to participate in these proceedings or if you would like to send written comments to the CPUC, please contact the Public Advisor's Office at the address shown below.

Protesting the Application

Anyone wishing to protest this application filing can do so by contacting the CPUC's Public Advisor's Office by telephone, writing a letter or e-mail at the address below. The Public Advisor's Office was established to help consumers to participate in CPUC proceedings. Persons with disabilities who need reasonable accommodations should contact the Public Advisor's Office 3-5 days prior to a hearing at: (415) 703-2074 or toll free at 1-866-849-8390. TTY telephone (415) 703-5282 or toll free TTY at 1-866-836-7825. Requests for bi-lingual interpretative services should also be directed to the Public Advisor's Office.

CPUC Public Advisor's Office
505 Van Ness Avenue, Room 2103
San Francisco, CA 94102
1-866-849-8390 (toll free)
(415) 703-2074

E-mail: public.advisor@cpuc.ca.gov

Please refer to Application Number 07-12-010 in any communications.

A copy of the application may be inspected at the business offices of California American Water at 511 Forest Lodge Road, Suite 100, Pacific Grove, CA 93950; or at the CPUC's San Francisco office at 505 Van Ness Avenue San Francisco, CA 94102.

Publication Date: December 21, 2007